



GRAIN TRANSPORTATION REPORT

Transportation & Marketing, Agricultural Marketing Service
United States Department of Agriculture

MAY 1, 2003

<u>TM GRAIN TRANSPORT COST</u> <u>INDICATORS</u>	<u>Ocean</u>				
	<u>Truck</u>	<u>Rail</u>	<u>Barge</u>	<u>Gulf</u>	<u>PNW</u>
Indicator Value* for 05/01	101	107	46	112	108
Compared to Last Week	↓	↑	↓	↑	unchanged
*Indicator: Base Year 2000=100; Weekly Updates include Truck=Diesel; Rail=Nearby Secondary Rail Market; Barge=Spot Illinois River Basis; Ocean Vessel based on Routes to Japan					

May 4-6	North America Rail Shippers Assoc. Annual Mtg.	Washington, DC	202-639-2100 (ph)
May 4-8	World Rail Expo 2003	Dallas, TX	703-241-8514 (ph) 703-241-8589 (fax) home@resa.org
May 5-7	American Feed Association Expo 2003	Minneapolis, MN	703-524-0810(ph) afia@afia.org
May 18-20	2003 World Congress, A New Age In Agriculture Working Together to Create the Future and Disable The Barriers	St. Louis, MO	314-206-3208 (ph) 314-206-3222 (fax)
June 22-25	American Seed Trade Association Annual Convention	Henderson, NV	888-890-7333 (ph) 703-837-8140 (ph)
July 13-18	28 th Annual Summer Ports, Waterways, Freight And International Trade Conference	Portland, Oregon	Joey Cambridge 202-334-2000 jcambridge@ngs.edu
July 20-22	U.S. Grains Council, 43 rd Annual Board of Directors Meeting; 4 th International Grain Marketing Conference And Trade Show	Minneapolis, MN	202-789-0789 (ph) 202-898-0522 (fax) grains@grains.org
July 27-30	America Agricultural Economics Association Annual Meeting	Montreal, Quebec Canada	515-233-3202
Sept. 24-26	National Waterways Conference Annual Meeting	Houston, TX	202-296-4415 (ph) 202-835-3861
Sept. 28-Oct. 3	2003 American Association of Port Authorities (AAPA) Annual Convention	Curacao, Netherlands Antilles	703-684-5700 (ph) 703-684-6321 info@aapa.ports.org

Report is prepared by Deen Olowolayemo, Hooshang Fazel, Johnny Hill and Karl Hacker, Agricultural Economists, Transportation & Marketing, Agricultural Marketing Service, USDA (202) 690-1304. Support provided by Upper Great Plains Transportation Institute, North Dakota State University. This report can be found on the Internet at www.ams.usda.gov/tmd/grain.htm. E-mail comments and questions to Surajudeen.Olowolayemo@usda.gov.

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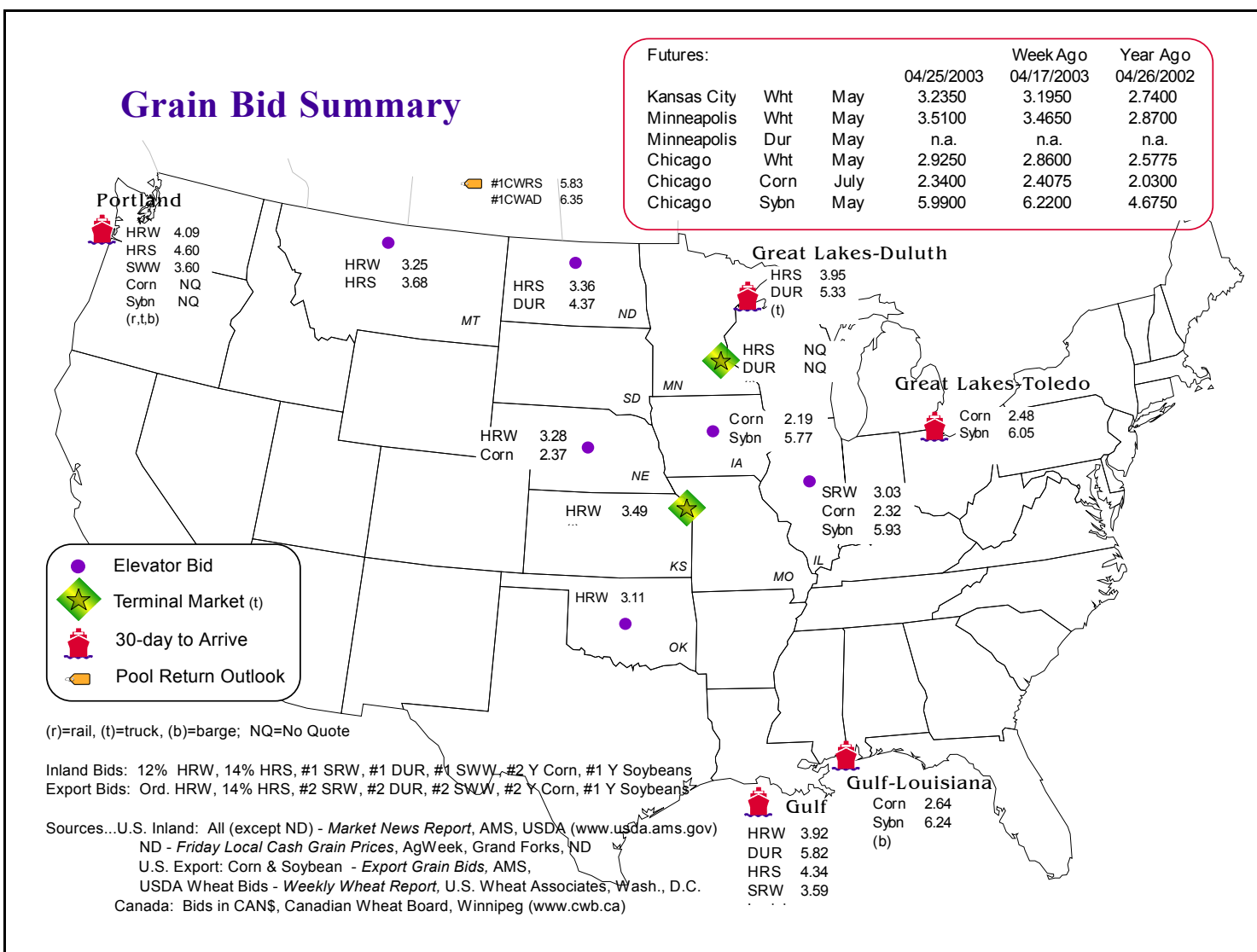
The Grain Transportation Report is a weekly news source for grain logistics. Detailed data and trend information on five major modes: barge, truck, rail, container, and vessel, provide timely insight into grain transport. The report is offered to policymakers and industry as a tool in day-to-day decision making and longer-term strategic planning for an effective and efficient U.S. grain logistics system.

Market Update: U.S. Origins to Export Position Price Spreads (Per Bushel)

Commodity	Origin--Destination	This week	Last week
Corn	IL -- Gulf	-0.32	-0.31
Corn	NE -- Gulf	-0.27	-0.26
Soybean	IA -- Gulf	-0.47	-0.50
HRW	KS -- Gulf	-0.43	-0.47
HRS	ND -- Portland	-1.24	-1.21

The **Grain Bid Summary** illustrates the market relationships for commodities. Positive and negative adjustments in differential between terminal and futures markets, and the relationship to inland market points, are indicators of changes in fundamental market supply and demand. The map may be used to monitor market and time differentials.

Grain Bid Summary



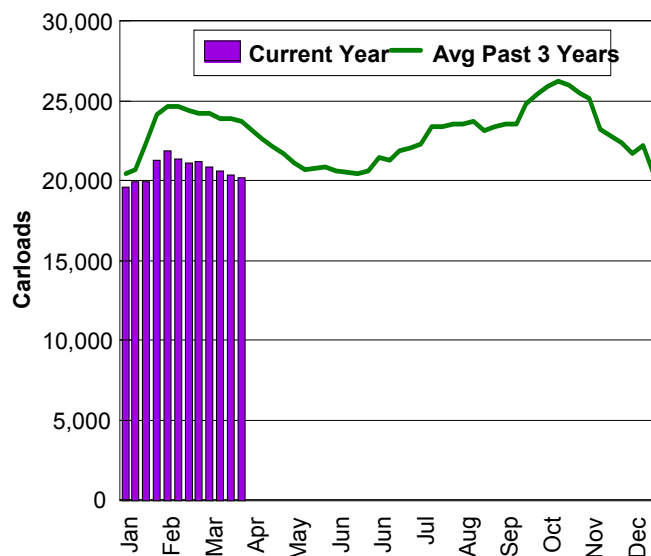
RAIL TRANSPORTATION

Rail Deliveries to Port (Carloads)

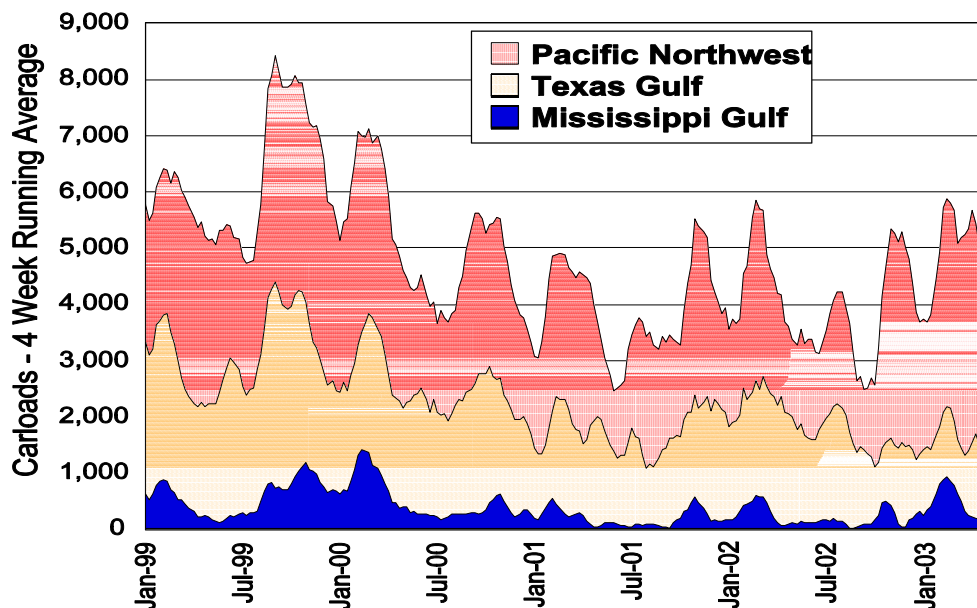
	Mississippi Gulf*	Texas Gulf	Pacific Northwest	Atlantic & East Gulf	Total
Week Ending:					
04/09/03	123	1,446	2,656	285	4,510
04/16/03	2	487	3,016	99	3,604
YTD 2003	7,841	18,290	55,216	8,279	89,626
YTD 2002	5,114	31,535	34,886	9,641	81,176
% YTD 2002	153%	58%	158%	86%	110%
Total 2002	11,112	83,799	111,719	21,551	228,181
Total 2001	10,022	81,804	111,376	26,604	229,806

Source: Transportation & Marketing/AMS/USDA; (*) Incomplete Data

Grain Car Loadings for Class I Railroads



Rail Deliveries to Port



Railroads originate approximately 40% of U.S. grain shipments. Trends in these loadings are indicative of market conditions and expectations.

Class I Rail Carrier Grain Car Bulletin (Grain Carloads Originated and Grain Service Index)

	East		BNSF	West		U.S. Total	Canada	
	CSXT	NS		KCS	UP		CN	CP
04/19/03	2,485	3,457	7,552	230	5,722	19,446	3,232	3,385
This Week Last Year	2,647	2,770	5,732	561	6,478	18,188	4,404	3,279
2003 YTD	45,706	51,452	125,105	5,805	103,316	331,384	54,843	55,494
2002 YTD	47,109	51,147	123,178	10,002	108,524	339,960	64,355	59,380
% of Last Year	97%	101%	102%	58%	95%	97%	85%	93%
2002 Total	142,760	164,745	400,179	27,161	344,296	1,079,141	191,835	195,765

U.S. Rail Covered Hopper Cars Online Index*

April-03	95.5	101.7	94.4	92.6	91.4	94.6
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Source: Association of American Railroads; *Base Year =2001, Index based on Number of Covered Hopper Cars Online (available for Service).

Rail service may be ordered directly from the railroad via **Auction** for guaranteed service or tariff for non-guaranteed service, or through the secondary market. The **Secondary Rail Market** information reflects trade values for service that was originally purchased from the railroad carrier as some form of guaranteed freight. The auction and secondary rail values are indicators of rail service quality and demand/supply.

Railroad Car 'Auction' Results

Average Premium/Discount to Tariff, \$/Car - Last Auction

Delivery for:	Jun-03	Jul-03	Aug-03
COT/N. Grain	no bid	no bid	no bid
COT/S. Grain	no bid	no bid	\$0
GCAS/Region 1	no bid	no bid	no bid
GCAS/Region 2	no bid	no bid	no bid

Source: Transportation & Marketing/AMS/USDA.

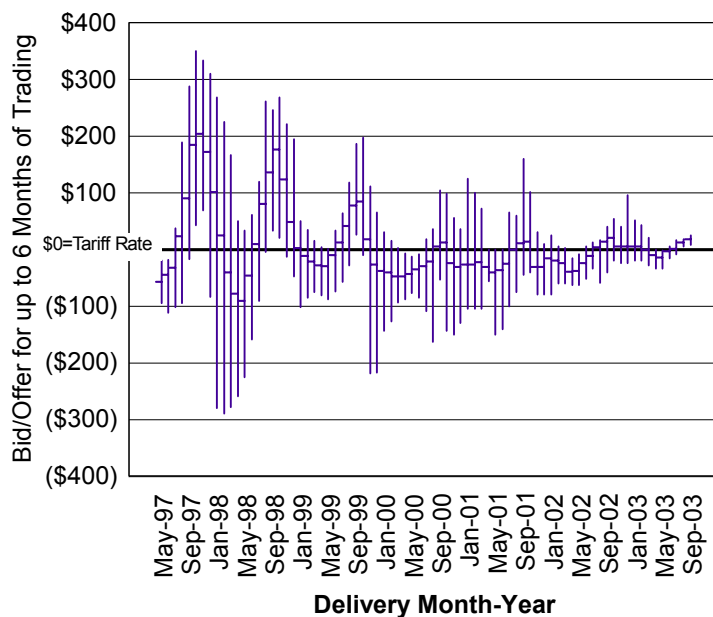
COT=Certificate of Transportation; GCAS=Grain Car Allocation System

Secondary Rail Car Market

Average Premium/Discount to Tariff, \$/Car - Last Week

	Delivery Period			
	May-03	Jun-03	Jul-03	Aug-03
BNSF-GF	\$(19)	\$(13)	\$(6)	\$4
UP-Pool	\$(5)	\$(1)	\$6	\$17

Secondary Rail Market Bid



Tariff Rail Rates for Unit Train Shipments

April 2003

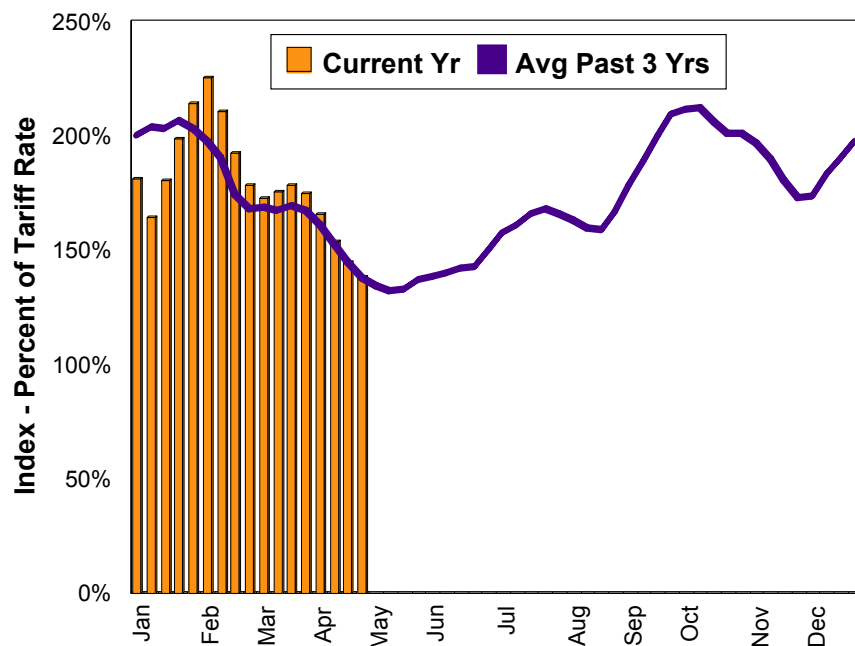
Date Effective	Tariff Item	Commodity	Origin	Destination	Rate Per Car	Rate Per MT	Rate/Per Bushel*
04/07/03	45560	Wheat	Minneapolis, MN	Houston, TX	\$2,050	\$22.60	\$0.62
04/07/03	43521	Wheat	Minneapolis, MN	Portland, OR	\$3,877	\$42.74	\$1.16
04/07/03	46540	Wheat	Kansas City, MO	Houston, TX	\$1,650	\$18.19	\$0.50
04/07/03	43586	Wheat	Kansas City, MO	Portland, OR	\$4,420	\$48.72	\$1.33
04/07/03	43581	Wheat	Omaha, NE	Portland, OR	\$4,005	\$44.15	\$1.20
04/07/03	31005	Corn	Minneapolis, MN	Portland, OR	\$3,050	\$33.62	\$0.85
04/07/03	31035	Corn	Kansas City, MO	Portland, OR	\$2,700	\$29.76	\$0.76
04/07/03	31005	Corn	Omaha, NE	Portland, OR	\$2,850	\$31.42	\$0.80
04/07/03	61110	Soybean	Minneapolis, MN	Portland, OR	\$3,030	\$33.40	\$0.91
04/07/03	61110	Soybean	Omaha, NE	Portland, OR	\$2,780	\$30.64	\$0.83

Source: www.bnsf.com

Approximate load per car = 100 tons: Corn 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

BARGE TRANSPORTATION

Illinois River Barge Rate Index - Rate Quotes



The **Illinois River Barge Rate Index** averaged 183% of the Benchmark Tariff Rate between 1999 and 2001, based on weekly market quotes. The **Index**, along with **Rate Quotes** and **Futures Market** bids are indicators of grain transport supply and demand.

Calculating **Barge Rate** Per Ton:
 $\text{Index} \times 1976 \text{ Tariff Benchmark Rate per Ton}$

Select applicable index from market quotes included in tables on this page. The 1976 benchmark rates per ton are provided in map below.

BARGE RATE QUOTES: Southbound Barge Freight

Index=Percent of Tariff, Based on 1976 Tariff Benchmark Rate

	4/23/03	4/16/03	May '03	July '03
Twin Cities	173	184	176	189
Mid-Mississippi	145	155	147	165
Illinois River	129	138	137	155
St. Louis	91	97	100	129
Lower Ohio	117	120	120	136
Cairo-Memphis	91	97	97	120

Source: Transportation & Marketing /AMS/USDA

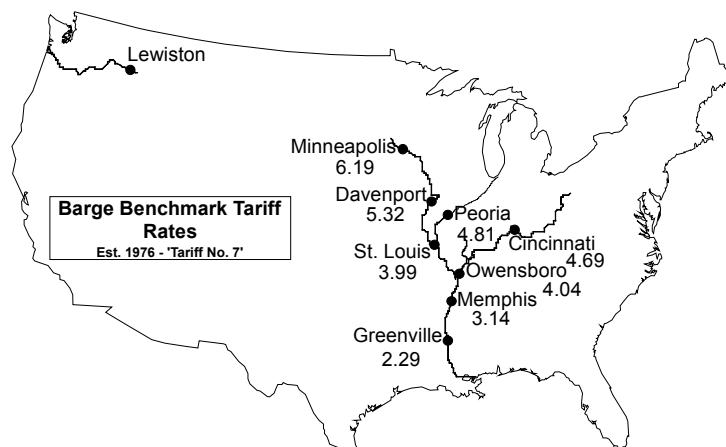
BARGE FUTURES MARKET

Southbound Barge Freight Nominal/Cash Basis Values

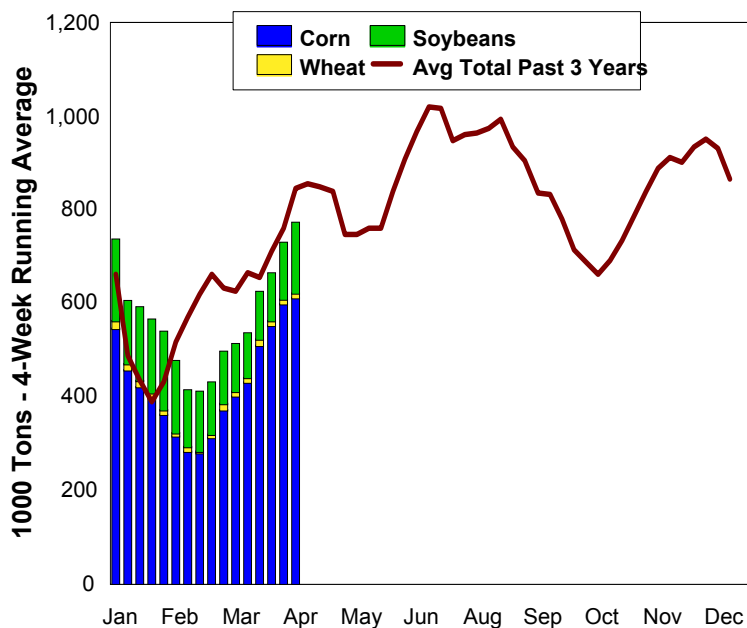
Index=Percent of Tariff, Based on 1976 Tariff Benchmark Rate

Week ended	River/Region	Contract Period	Rate	
			Futures	Cash
4/29/03	St. Louis	May	n/a	113
		July	n/a	135
		Sept	n/a	180
		Nov	n/a	153
		Dec	n/a	135
	Illinois River	May	n/a	128
		July	n/a	150
		Sept	n/a	185
		Nov	n/a	170
		Dec	n/a	165

Source: St. Louis Merchants Exchange



Barge Movements on the Mississippi River (Lock 27)



Barge Grain Movements (1,000 Tons)

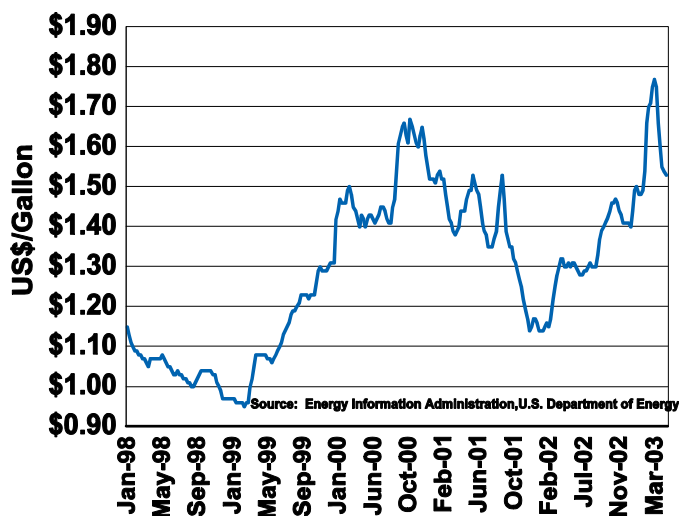
for week ending 4/19/03

	Corn	Wht	Sybn	Total
Mississippi River				
Rock Island, IL (L15)	273	9	72	355
Winfield, MO (L25)	363	5	171	539
Alton, IL (L26)	513	9	200	724
Granite City, IL (L27)	498	9	191	700
Illinois River (L8)	79	0	8	86
Ohio River (L52)	18	0	17	44
Arkansas River (L1)	0	2	4	7
2003 YTD	7,813	536	3,297	14,004
2002 YTD	10,226	676	3,513	15,072
% of 2002 YTD	76%	79%	94%	93%
Total 2001	31,878	2,679	10,616	47,091

Source: U.S. Army Corp of Engineers,
YTD and Calendar year total includes Miss/27, Ohio/52 and Ark/1.

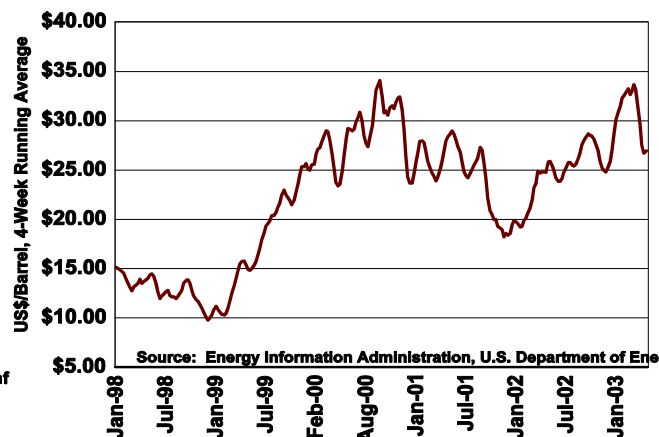
TRUCK TRANSPORTATION

Weekly U.S. Retail Road Diesel Price



The weekly **Diesel Price** provides a proxy for trends in U.S. truck rates. Diesel fuel is a significant expense for truck grain movements, accounting for 37% of the estimated variable cost. **Crude Oil Price** is an indicator in future diesel price trends.

Weekly Brent Crude Price, Friday Close



Crude Oil Prices (04/29/03)

US\$ per Barrel	This Week	Last Week	
Light Sweet Crude (NYMEX)	25.06	28.10	↓
Brent Crude	22.94	25.77	↓

Note: Light Sweet Crude is exchanged on the New York Mercantile Exchange. North Sea oil has a "benchmark" role in crude oil pricing. Brent crude, a blend of North Sea oils, is traded on the International Petroleum Exchange in London.

Source: www.eia.doe.gov; *U.S. Refiner Crude Acquisition Cost, Composite Domestic & Import

GRAIN EXPORTS

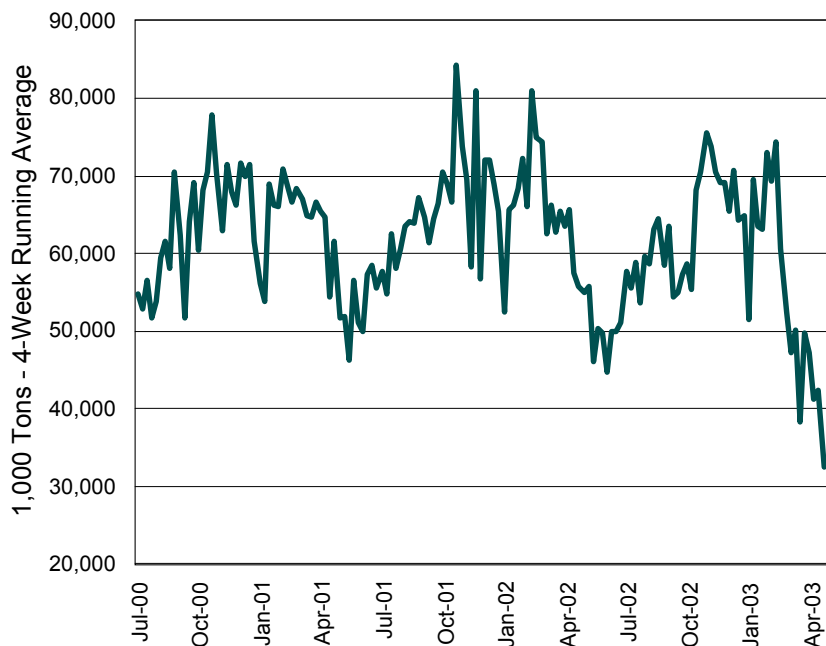
U.S. Export Balances (1,000 Metric Tons)									
	W h e a t			C o r n		S o y b e a n		T o t a l	
	HRW	SRW	HRS	SW W	DUR	All			
04/17/2003	1,063	339	1,215	541	207	3,365	5,431	3,105	11,901
This Week Year Ago	1,005	697	639	409	65	2,816	6,281	2,613	11,710
Commulative Exports-Crop Year									
02/03 YTD	6,231	2,648	5,703	3,132	640	18,354	25,283	24,515	68,152
01/02 YTD	7,629	4,805	4,898	2,800	1,051	21,183	28,841	23,717	73,741
01/02 Total	8,761	5,485	5,582	3,175	1,133	24,135	48,003	29,926	102,064
00/01 Total	9,314	4,445	5,775	5,156	1,130	25,819	47,734	27,567	101,120
99/00 Total	10,629	4,195	5,590	4,055	984	25,453	48,760	26,972	101,185

Source: Foreign Agricultural Service YTD-Year-to-Date (www.fas.usda.gov)

Select U.S. Port Regions - Grain Inspections for Export (1,000 Metric Tons)												
	<u>Pacific Region</u>			<u>Mississippi Gulf</u>			<u>Texas Gulf</u>			<u>Port Region Total</u>		
	<i>Wheat</i>	<i>Corn</i>	<i>Soybn</i>	<i>Wheat</i>	<i>Corn</i>	<i>Soybn</i>	<i>Wheat</i>	<i>Corn</i>	<i>Soybn</i>	<i>Pacific</i>	<i>Mississippi</i>	<i>Texas</i>
04/24/03	162	59	59	31	455	223	22	0	0	280	708	22
2003 YTD	2,541	1,893	2,161	1,488	8,560	8,384	1,378	526	50	6,596	18,432	1,954
2002 YTD	3,018	1,675	970	2,118	11,987	7,903	2,069	106	235	5,663	22,008	2,410
% of 2002 YTD	84%	113%	223%	70%	71%	106%	67%	495%	21%	116%	84%	81%
2002 Total	10,007	5,877	1,639	6,829	34,991	17,996	6,971	468	468	17,523	59,816	7,906

Source: Federal Grain Inspection Service YTD-Year-to-Date

U.S. Grain Inspected for Export



Select Canadian Port Export Inspections 1,000 Metric Tons, Week End Summary

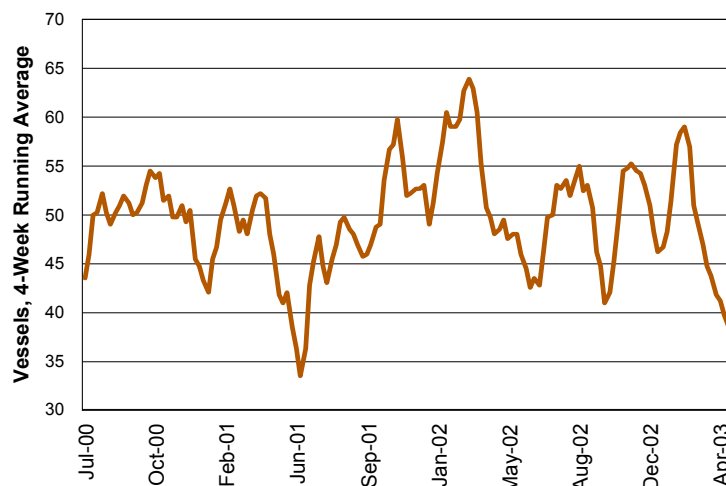
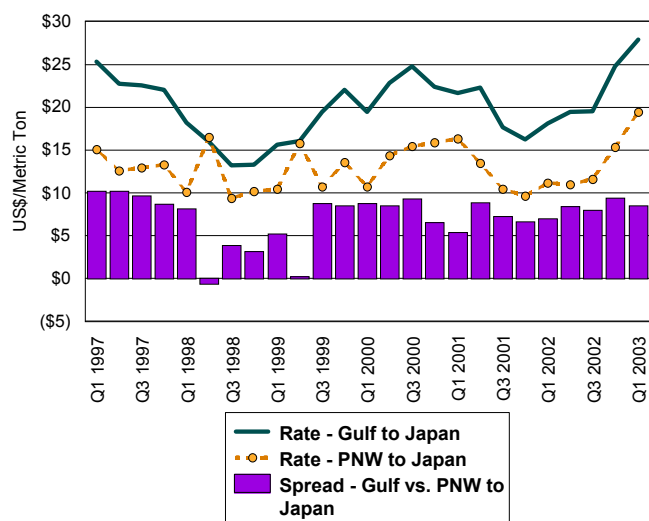
	<u>Wheat</u>	<u>Durum</u>	<u>Barley</u>
04/17/2003			
Vancouver	11		4
Prince Rupert			
Prairie Direct	17		1
Thunder Bay			
St. Lawrence	3,460	1,798	256
2001/02 YTD	8,878	2,283	711
2002/03 YTD	3,488	1,798	261
% of Last Year	255%	127%	272%

Source: Canadian Grains Commission, Crop Year 8/1-7/31

Port Region Ocean Grain Vessels

	Gulf			Pacific Northwest	Vancouver B.C.
	In Port	Loaded 7-Days	Due Next 10-Days	In Port	In Port
04/17/03	11	34	43	9	5
04/24/03	18	35	50	13	9
2002 Range	(15..55)	(33..66)	(44..82)	(3..15)	(0..12)
2002 Avg	35	51	65	8	5

Source: Transportation & Marketing /AMS/ USDA

**Gulf Port Region Grain Vessel Loading
Past 7 Days****Grain Vessel Rates to Japan****Quarterly Ocean Freight Rates**

Average Rates & Percentage Changes, U.S. Dollars/Metric Ton

	2003 1 st Qtr	2002 1 st Qtr	% Change		2003 1 st Qtr	2002 1 st Qtr	% Change
Gulf to				Pacific NW to			
Japan	\$27.91	\$18.25	53%	Japan	\$19.43	\$11.31	72%
Mexico	-	\$31.49	-				
Venezuela	\$15.00	-	-				
N. Europe				Argentina/Brazil to			
N. Europe	\$14.50	\$10.67	36%	Med. Sea	\$25.35	\$17.85	42%
N. Africa	-	\$17.58	-	N. Europe	-	\$13.48	-
Med. Sea	\$14.50	\$10.97	32%	Japan	-	\$25.59	-

Source: Transportation & Marketing/AMS/USDA

Ocean Freight Rates for Selected Shipments - week ending 4/26/03

Export Region	Import Region	Grain	Month	Volume Loaded (Tons)	Freight Rate (\$/Ton)
G. Lakes	North Korea	Heavy Grain	May 25/30	1,500	\$155.00*
G. Lakes	North Korea	Grains Bggd	May 25/30	3,000	\$155.00*
U.S. Gulf	Angola	Wheat	Apr. 25/May 5	9,620	\$99.91*
U.S. Gulf	Kenya	Sorghums Bggd	Spot	4,000	\$237.40*
U.S. Gulf	Pakistan	Wheatflour Bggd	Apr. 25/30	4,989	\$120.00*
U.S. Gulf	Pakistan	Wheatflour Bggd	May 20/30	9,600	\$329.85*
U.S. Gulf	Kuwait	Milled Rice Bggd	Spot	25,000	\$180.61*
Brazil	Venezuela	Grains	Apr. 26/30	25,250	\$32.00

Source: Maritime Research Inc.

Rates shown are for metric ton (2,204.62 lbs.=one metric ton), F.O.B., except where otherwise indicated; op=option

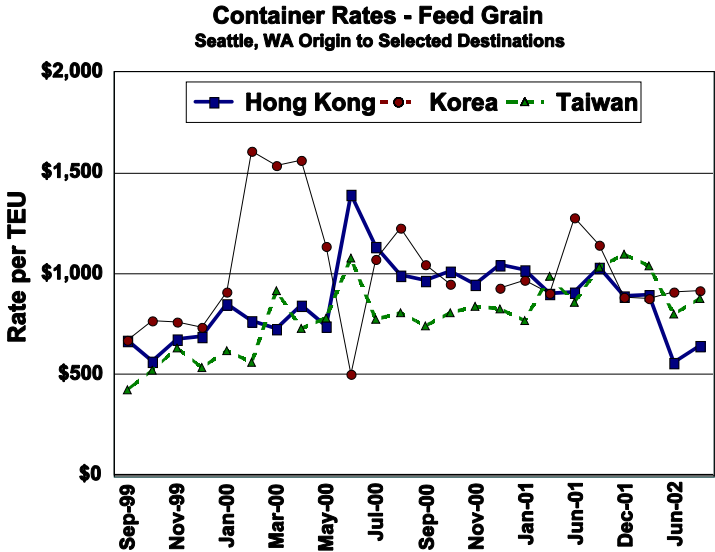
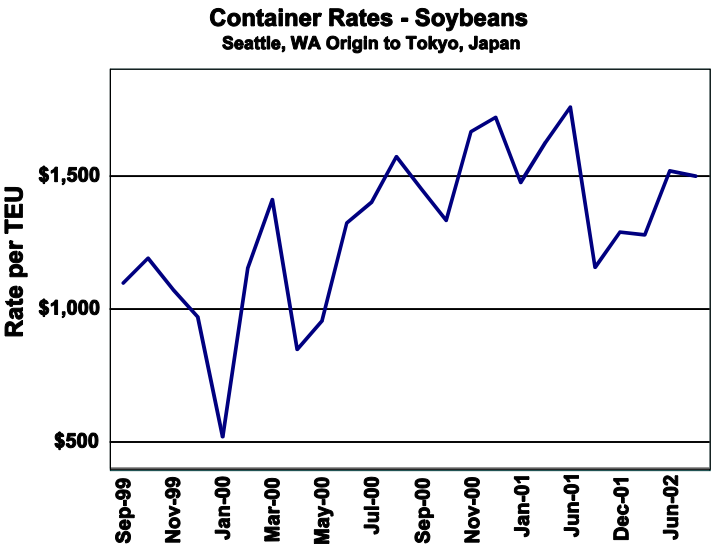
*Most food aid from the United States is required to be shipped on U.S. flag vessels. The vessels are of limited availability resulting in higher rates. In addition, destinations receiving food aid generally lack adequate port unloading facilities, requiring the vessel to remain in port for a longer duration than normal.

Container Ocean Freight Rates

Average Rate per TEU, Weighed by Shipping
Line Market Share

Source: Transportation & Marketing/AMS/USDA, Quarterly Updates

CONTAINER



Approximately 420,000 MT of grain and oilseed exports were marketed via container in 2001. This volume increased 26% compared to 1997.